TOWN OF MONTAGUE

GENERAL FUNDS

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

DECEMBER 31, 1985

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CHARTERED ACCOUNTANTS

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AUDITORS' REPORT

To the Mayor and Councillors of the Town of Montague

We have examined the balance sheets of the Town of Montague as at December 31, 1985 and the statements of revenue and surplus for General Revenue and Capital Funds for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the Town's General Revenue and Capital Funds as at December 31, 1985 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

MacPhee & MacAulay
CHARTERED ACCOUNTANTS

February 17, 1986
Montague, P.E.I.

TOWN OF MONTAGUE

GENERAL REVENUE FUND

BALANCE SHEET

AS AT DECEMBER 31, 1985

	1985 $	1984 $
ASSETS		
CURRENT ASSETS		
Cash	137,715	130,625
Accounts receivable -		
Other Governments	14,976	6,324
Sundry	2,442	2,120
Sewers Revenue Fund	1,956	-
General Capital Fund (note 1)	-	5,437
	157,089	144,506
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	28,587	51,107
General Capital Fund (note 1)	4,563	-
RESERVE FOR BEAUTIFICATION PURPOSES (note 3)	3,195	3,503
RESERVE FOR PURCHASE OF CAPITAL ASSETS	43,680	27,238
RESERVE FOR FUTURE EXPENDITURES (note 4)	14,750	-
	94,775	81,848
EQUITY		
GENERAL REVENUE FUND SURPLUS	62,314	62,658
	157,089	144,506

SIGNED ON BEHALF OF COUNCIL

_____ MAYOR

_____ CHAIRMAN OF FINANCE

TOWN OF MONTAGUE

GENERAL REVENUE FUND

STATEMENT OF REVENUE AND SURPLUS

FOR THE YEAR ENDED DECEMBER 31, 1985

	1985 Budget $	1985 Actual $	1984 Actual $
REVENUE			
Taxes			
Real property	198,117	218,403	203,004
Other			
Equalization grant	77,261	81,002	77,261
Recreation grant	7,000	7,000	6,125
Fines	25,000	38,051	36,899
Interest	4,000	8,121	7,578
Town history books	1,500	768	2,959
Sundry	1,500	1,454	2,384
	314,378	354,799	336,210
EXPENDITURES			
Streets and sidewalks	119,500	133,230	114,963
Public protection	79,050	78,261	74,446
Finance and administration	51,578	52,825	46,306
Recreation and youth	28,800	38,636	26,959
Public property, museum and beautification	17,800	30,009	22,785
Sanitation, special projects and industrial	2,750	4,512	28,872
	299,478	337,473	314,331
	14,900	17,326	21,879
GENERAL REVENUE CONTRIBUTED TO CAPITAL FUNDS			
Purchase of land	1,200	1,200	1,200
Purchase of office equipment	500	500	4,975
Amortization of fire truck	5,000	5,000	5,000
Payment on Canada Mortgage and Housing Corporation loans	7,100	7,528	6,853
Payment on building fund loan	-	-	5,368
Payment on Montague Electric Co. Ltd. loan	1,000	1,000	1,000
Provision for purchase of capital asset	-	2,442	2,174
Sale of band shelter	-	-	(2,000)
	14,800	17,670	24,570
EXCESS OF REVENUE OVER EXPENDITURES	100	(344)	(2,691)
SURPLUS - BEGINNING OF YEAR	62,658	62,658	65,349
SURPLUS - END OF YEAR	62,758	62,314	62,658

TOWN OF MONTAGUE

GENERAL REVENUE FUND

EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 1985

	1985 Budget $	1985 Actual $	1984 Actual $
PUBLIC PROTECTION (FIRE AND POLICE)			
R.C.M.P.	64,000	63,324	60,445
Fire alarm	7,500	7,527	6,938
Insurance on fire trucks and equipment	2,500	2,275	2,228
Supplies - fire	3,450	3,535	3,415
Firemen's wages	1,600	1,600	1,420
	79,050	78,261	74,446
STREETS AND SIDEWALKS			
Salaries	30,000	32,967	32,283
Street lighting	34,000	28,527	27,994
Snow removal and sanding	20,000	30,344	20,189
Provision for future expenditures - snow	11,000	11,000	-
Street and sidewalk repair	17,000	22,221	23,904
Truck expense	3,500	4,229	6,593
Loader expense	3,000	1,863	2,884
Holder tractor expense	-	241	-
Worker's compensation insurance	600	581	534
Insurance - vehicles	400	1,257	582
	119,500	133,230	114,963
FINANCE AND ADMINISTRATION			
Clerk's salary and vacation	12,000	9,265	11,203
Council	15,000	11,000	7,500
Interest on long-term debt	5,000	5,809	5,601
Wage levies	8,578	8,981	6,088
General government - sundry	2,500	6,543	3,605
Advertising	1,000	1,469	918
Audit	2,500	2,550	2,450
Election	500	500	2,165
Office supplies	1,500	3,418	4,260
Telephone	2,000	1,658	1,735
Legal	500	391	465
Bank charges and interest	500	1,241	316
	51,578	52,825	46,306

MacPHEE & MacAULAY

TOWN OF MONTAGUE

GENERAL REVENUE FUND

EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 1985

	1985 Budget $	1985 Actual $	1984 Actual $
PUBLIC PROPERTY, MUSEUM & BEAUTIFICATION			
Fuel	5,000	6,608	6,255
Museum operation (note 2)	5,500	7,788	7,643
CN Station	-	5,425	-
Repairs and painting	2,500	3,000	3,089
Building lights	2,400	2,364	2,142
Taxes	1,400	2,327	1,663
Liability insurance	1,000	1,450	1,050
Insurance - buildings	-	1,037	943
Beautification	-	10	-
	17,800	30,009	22,785
RECREATION AND YOUTH			
Recreation	27,800	33,380	26,580
Community Parks maintenance	1,000	5,256	379
	28,800	38,636	26,959
SANITATION, SPECIAL PROJECTS AND INDUSTRIAL			
Dog control	500	310	1,430
Business promotion and special projects	1,500	1,252	2,143
Town history books	-	-	8,351
Town pictures restoration project	750	750	1,504
CN building restoration project	-	-	15,444
L.E.A.D. feasibility project	-	200	-
1991 winter games	-	2,000	-
	2,750	4,512	28,872
TOTAL EXPENDITURES	299,478	337,473	314,331

TOWN OF MONTAGUE
GENERAL CAPITAL FUND
BALANCE SHEET
AS AT DECEMBER 31, 1985

ASSETS

	1985	1984
	$	$
CAPITAL ASSETS - AT COST		
Land	137,041	142,541
Garden of the Gulf Museum	500	500
Warehouse	4,500	4,500
Paved streets and sidewalks	511,541	511,541
Street department equipment	59,435	14,435
Fire department equipment	160,203	160,203
Civic building	94,305	94,305
Civic building furnishings and equipment	9,583	9,583
Community park	43,056	43,056
Storage building	15,000	15,000
CN building	1	1
	1,035,165	995,665
RECEIVABLE FROM GENERAL REVENUE FUND (note 1)	4,563	-
RECEIVABLE FROM COMMUNITY WELFARE LEAGUE RE:		
Iceland Arena	15,903	18,298
	1,055,631	1,013,963

LIABILITIES

PAYABLE TO GENERAL REVENUE FUND (note 1)	-	5,437
DEBENTURES PAYABLE		
- Montague Credit Union loan - due October, 1987 (payable in quarterly instalments of $6,376.78 including principal and interest)	45,000	-
- Municipal Development loans re: Iceland Arena, 5.38% payable in annual instalments of $3,348 principal and interest by the Community Welfare League; final instalments payable in 1991 and 1992.	15,903	18,298
- Canada Mortgage and Housing Corporation loans		
- 9.625% payable in annual instalments of $3,306; final instalment payable January 1, 1989.	8,241	10,511
- 9.625% payable in annual instalments of $4,244.45; final instalment payable January 1, 1990.	13,496	16,149
- 9.625% payable in annual instalments of $2,426.17; final instalment payable January 1, 1991.	9,231	10,611
- 9.625% payable in annual instalments of $2,154.65; final instalment payable January 1, 1991.	8,198	9,423
- Montague Electric Co. Ltd. loan - payable in annual instalments of $1,000; final instalment payable in 1993.	8,000	9,000
	108,069	79,429

EQUITY

CAPITAL SURPLUS	947,562	934,534
	1,055,631	1,013,963

SIGNED ON BEHALF OF THE COUNCIL

_____ MAYOR

_____ CHAIRMAN OF FINANCE

MacPHEE & MacAULAY

TOWN OF MONTAGUE

GENERAL CAPITAL FUND

CAPITAL SURPLUS

FOR THE YEAR ENDED DECEMBER 31, 1985

	1985	1984
	$	$
BALANCE - BEGINNING OF YEAR	934,534	908,824
FUNDS PROVIDED		
Sale of office equipment	-	170
Sale of band shelter	-	2,000
Montague Volunteer Fire Brigade	5,000	5,000
	5,000	7,170
Contributions from General Revenue Fund -		
Purchase of office equipment	-	4,975
Principal payment on Civic Centre loan	-	5,368
Principal payment on Canada Mortgage and Housing Corporation loans	7,528	6,853
Principal payment on Montague Electric Co. Ltd. loan	1,000	1,000
Amortization of fire department truck	5,000	5,000
Purchase of land and buildings	1,200	1,200
Sale of band shelter	-	(2,000)
	14,728	22,396
	19,728	29,566
	954,262	938,390
RETIREMENT OF CAPITAL ASSETS - AT COST		
Land - Douse's Road lots	6,700	-
Office equipment	-	3,856
BALANCE - END OF YEAR	947,562	934,534

TOWN OF MONTAGUE
GENERAL FUNDS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1985

	1985 $	1984 $
1. DUE FROM (TO) GENERAL CAPITAL FUND		
The amount due from (to) General Capital Funds is composed of:		
Unamortized portion of cost of fire truck	10,000	20,000
1980 long-term loan received in excess of capital expenditures	14,563	14,563
BALANCE - END OF YEAR	(4,563)	5,437
2. MUSEUM OPERATION AND REPAIRS		
REVENUE		
Provincial Government Grant	1,400	1,335
Admissions	1,742	2,048
Donation	100	-
	3,242	3,383
EXPENDITURES		
Wages	7,039	7,214
Employee benefits	934	869
Repairs and maintenance	1,178	1,971
Lights and heat	315	284
Telephone	173	175
Advertising	496	370
Pins	582	-
Miscellaneous	313	143
	11,030	11,026
LOSS FROM OPERATIONS	7,788	7,643
3. RESERVE FOR BEAUTIFICATION		
RECEIPTS		
Interest	207	253
Donation	50	-
	257	253
DISBURSEMENTS		
Beautification awards	400	-
Office supplies	127	-
Repairs and maintenance	32	-
Bank charges	6	-
	565	-
	(308)	253
BANK BALANCE - BEGINNING OF YEAR	3,503	3,250
BANK BALANCE - END OF YEAR	3,195	3,503

4. RESERVE FOR FUTURE EXPENDITURES

Reserve for office equipment	500
Reserve for election purposes	500
Reserve for picture restoration	750
Reserve for 1991 winter games	2,000
Reserve for snow removal expenditures	11,000
	14,750

5. CONTINGENT LIABILITY

Under an agreement with the Province of Prince Edward Island the Town of Montague purchased a bus for the use of Senior Citizens in the area. Under an agreement with The Senior Transit Association the Town of Montague has leased the bus to The Senior Transit Association until April 9, 1987 at which time legal title to the bus will be transferred to The Senior Transit Association. The cost of the bus was $29,684 and was funded as follows:

	$
Province of Prince Edward Island	23,747
The Senior Transit Association	5,937
	29,684

A contingent liability exists to the extent that the Town of Montague must comply with certain regulations until 1987.